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# REPORTS ON FOREIGN MARKETS FOR AGRICULTURAL PRODUCTS

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UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF MARKETS  
FOREIGN MARKETING INVESTIGATIONS

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## THE LIVE-STOCK INDUSTRY OF ARGENTINA\*

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Argentina is about one-third the size of the United States. Fully one-half of this area is in a temperate zone and closely parallels much of the Plains region of the United States. When it is remembered that the topography, soil, and natural grass also resemble that of this region, it is to be expected that live-stock raising is one of the principal industries of Argentina.

In considering the population outside of the city of Buenos Aires, it is found that practically four-fifths of the people are engaged in some branch of the live-stock industry. With this interest in the industry and particularly with the influence of the immigration from European nations, very rapid strides have been made in the production of live stock. According to official statistics, the numbers of live stock in Argentina in 1913 were as follows:

Cattle .....	28,500,000	: Hogs .....	2,900,000
Sheep .....	30,000,000	: Goats.....	4,564,000

As has been the history of the live-stock industry of all countries, a beginning in Argentina was made with large herds and large areas of land under the supervision or ownership of one person. The prevailing custom among cattlemen is to maintain a herd of well-bred stock from which beef animals are obtained, and in most cases a pure-bred herd for the raising of stock bulls and show animals. To-day a large percentage of the stock of Argentina is improved, although at the live-stock market at Buenos Aires there are usually a few pens of "criollo" (inferior native) cattle. With the increased value of land, however, particularly in the alfalfa districts, the raising of native unimproved stock is becoming unprofitable. By far the larger percentage

\*Previous articles on the Livestock Industry of South America in Reports on Foreign Markets for Agricultural Products: Brazil, No. 25; Uruguay and Paraguay, No. 41. Copies may be obtained upon application to the Bureau of Markets.



of the fat stock on the market is relatively as well bred as those in the United States.

Coincident with the beginning of live-stock improvement was the discovery that alfalfa would thrive in Argentina. To judge from the topography, it might be thought that the great Rio Plata valley is poorly watered. There are few flowing streams but good water is to be found within a very few feet of the surface of the ground. With the introduction of alfalfa as a pasturage for live stock, it has been possible to produce a very high quality finish upon the animals intended for slaughter. During the season large numbers of steers which carry relatively as high a degree of fleshing as the corn-fed steers of the United States are seen on the market. This high finish, with the good, low-set, blocky form, makes a meat product acceptable in any market of the world.

### Argentine Meat Trade

At present, the marketing of the fat stock of Argentina is well taken care of by the eight packing houses located in or near Buenos Aires. These have a combined potential daily capacity of about 9,000 cattle; 25,000 sheep; 7,000 hogs.

The total exports of meat products from the Argentine plants during 1918 were as follows:

	<u>Tons</u>
Frozen beef .....	494,070
Chilled beef .....	1,545
Frozen mutton .....	50,415
Canned meats .....	191,000
Salted meat and jerked beef ..	2,779
Frozen pork .....	1,029

In general, the various packing houses are equipped with the most modern machinery and the best methods in handling meat and meat products are employed. Inasmuch as a very large percentage of the year's total kill is exported, efforts are continually being made to improve the quality of the products. The products derived from Argentine beef embrace practically every class and quality known to the meat trade. Products made from offals are attractively packed and shipped to England and other countries where the demand for such products exists. Both chilled and frozen meat are exported, chilled meat forming an increasing proportion of the total meat exports each year.

The marketing of meat for the city of Buenos Aires is in the hands of both the packing houses located in the city and the abattoirs. The retailer usually purchases his animals on the market and has them killed for his account.



### Rural Society Promotes Live-stock Industry

The Sociedad Rural Argentina, or the Argentine Rural Society, was founded in 1866 and has gradually grown in scope and influence until to-day it is the most powerful agency, excepting the Government in the development of the live stock of the country. This society maintains exposition grounds in the outskirts of Buenos Aires at Palermo, where an annual exposition is held.

In addition to establishing the Palermo Live Stock Exposition this society maintains an association which records stock of all breeds in Argentina.

Another activity of this society is the maintenance of research laboratories in which various pests and diseases are studied with a view to their elimination and control. A large staff of biologists and chemists is constantly employed.

The membership of the society includes a large percentage of the most progressive and influential breeders in Argentina. Meetings are held to discuss better methods of raising and handling stock and to assist in the improvement of the live-stock industry in general. Literature distributed by this organization is widely read in the rural districts. Large quantities of propaganda literature on improved stock and better methods of handling have been distributed under the auspices of the Sociedad Rural.

Sales at Palermo.--The national exposition held at Palermo is rated one of the greatest exhibitions of live stock in the world, especially of the Shorthorn breed of cattle. It is a generally accepted fact that no other live-stock exposition contains as large a number of well-bred and well-formed specimens of this breed. A large percentage of the animals shown are later sold at public auction, a form of marketing which has proved very successful in Argentina and is preferred by many to any other method. During the exposition held in 1912, a total of 6,666,970 Argentine pesos (\$2,830,128) were paid for animals, as follows:

Kind	: Number :	Total Amount		: Average Prices		
		Pesos	Dollars*		Pesos	Dollars*
Shorthorn.....	823	5,227,150	2,218,925	:	6,351	2,696
Hereford.....	104	452,600	192,129	:	4,352	1,847
Aberdeen-Angus...	88	256,050	108,693	:	2,910	1,235
West Highland....	2	3,800	1,613	:	1,900	807
Dairy stock.....	31	76,500	32,474	:	2,468	1,048
Sheep .....	470	378,500	160,673	:	805	342
Hogs.....	180	91,745	38,946	:	510	216
Horses .....	97	180,150	76,473	:	1,857	788
Goats .....	4	475	202	:	119	51
Total .....	---	6,666,970	2,830,128	:	---	---

\*On the basis of 1 peso = \$0.4245.



The champion Shorthorn was sold at the record price of about \$44,000 U. S. gold. The champion Hereford brought \$8,900 U. S. gold, Aberdeen-Angus \$6,820, and the champion sheep \$3 564 U. S. gold. A great deal of interest was evident and the large numbers of people attending the exhibits attested the popularity of the industry.

#### Demand for Pure-Bred Cattle.

It is evident that the pure-bred cattle industry of Argentina to-day, is founded on a very firm basis, both from the standpoint of the importer and those engaged in raising pure-bred stock. A very well developed market exists for all grades and classes of stock, most of which is sold at public auction in Buenos Aires. There are several large commission companies, and during the season it is very common to have a sale every day.

Argentina possesses representative blood of the finest Shorthorn families and individuals. For years there has been a steady trade with England, and to-day, the best pure-bred Shorthorn cattle of Argentina is unsurpassed in quality. For the past several years many of the high prices at the live stock exposition in England have been paid by Argentine buyers. Competition has become so keen that it has been found entirely practicable to export the finest British animals to South America for sale by auction.

For several years past, England has been exporting many of the champion animals of their live-stock expositions, and largely as a result of this practice the high prices commonly attributed to Argentine buyers have been possible. The average stock raiser, who uses pure-bred stock is well versed in pedigree live stock, and it is folly to assume that many inferior animals can be sold in Argentina at relatively higher prices than in the United States or England.

One encouraging feature of the interest in Shorthorn breeding is the fact that with the increased production new blood lines will be required, and it seems entirely reasonable to expect that any quantity of excellent well-bred Shorthorns from the United States may be disposed of in Argentina. With this in mind, it may be said that only the best of this breed will find a ready market or will prove a profitable enterprise for anyone considering exporting animals to that country.

Although Argentina has specialized in the Shorthorn breed, many very good Herefords and Aberdeen-Angus have been imported into Argentina, and it will be found to-day that there is a well-defined interest in these breeds. However, the quality of Herefords and Aberdeen-Angus varies much more than that of the Shorthorns. The champion animals of these two breeds at the Palermo show were undoubtedly very high class; there was, however, a liberal sprinkling of medium-quality stock. With the attention of many breeders being directed toward Herefords and



Angus, it seems probable that these breeds will form the basis of the greater part of the export business in pure-bred cattle from the United States.

Probable Demand for Heifers.-- The shortage of female stock has created a very noticeable demand for Shorthorn heifers which are either red or a dark roan and which show good breeding qualities. This demand should form the basis for a good export trade with the United States. A shipment of heifers of this class at this time would assist in establishing contacts which would probably become permanent, especially if great care is taken in their selection and the trade contacts formed are based on a mutual desire to develop the trade.

Business Based on Friendship.--It must be borne in mind that business in South American countries is carried on very largely on the basis of friendship and a personal knowledge of the parties with whom deals are made. This practice makes the connection formed very much closer and more lasting than is the case with our so-called cold business methods in favor in the United States. A satisfied customer in one of these South American countries is more valuable than a satisfied customer in the United States because of his influence and the fact that he will be slow to change his business connection so long as he is satisfied with results.

Dairy Stock.--The dairy industry at present in Argentina may be considered as a quantity rather than a quality proposition. With large tracts of low to medium priced land and the possibility of handling stock without a large amount of expensive equipment it has not been thought necessary to engage in quality production. For this reason, prices for dairy stock have not been high, and the possibility of exporting high-class dairy cattle into Argentina has not been considered of sufficient importance to attract the attention of American breeders of dairy cattle. Probably this condition of affairs will change rapidly, especially with the present shortage of labor in Argentina. The entrance of Argentine dairy products into the world's market may be expected to direct more and more attention to the quality of stock.

There is a noticeable interest in the methods employed and the machinery used in the United States in operating creameries. The adoption of these methods will have an indirect effect on the bettering of the quality of the dairy stock in Argentina.

#### Control of Cattle Ticks and Foot-and-Mouth Disease

The tick problem is more nearly solved in Argentina than in any of the other South American countries. Many herds are entirely free from this pest through individual efforts; nevertheless, more concerted action would mean control at an earlier date. Very few of the well improved herds are allowed to become infested to any great extent, and even in the districts just being opened to the raising of improved stock,



attention is being directed to methods of eradication and control.

As in the other countries of South America, the foot-and-mouth disease is frequently encountered; in fact, the country is seldom entirely free from this disease. Native stock develops immunity to a certain degree, but a widespread epidemic usually affects nearly all the animals in a herd. For the most part the foot-and-mouth disease is considered a 10 days' illness which, if plenty of green feed is available and reasonable care taken, does not prove fatal. An outbreak often occurs at a live-stock exposition, and special care is given the highly fitted animals. The fact that a show animal exhibits symptoms of the disease is disregarded, and has but slight effect on the bidding. A mature animal seldom dies, and loss of condition rather than the possible death of an animal is the factor generally considered. A severe loss may be sustained in fat stock because it takes from 6 to 10 months to regain the fleshing lost in the sickness. It is considered much more serious by many to have an outbreak of foot-and-mouth disease in the fattening than in the breeding herd.

It may be expected that any stock imported into Argentina will contract foot-and-mouth disease probably before the end of the 30-day quarantine period; for this reason stock for export to that country should not be too highly conditioned. Space near Buenos Aires should be provided, where stock suffering severely from the disease may be held for about 30 days to regain some of the lost condition resulting from the illness. Normally, only a very slight mortality may be expected in the stock imported.

A combination of circumstances caused an outbreak of foot-and-mouth disease in 1919 which threatened to become very serious, as it occurred at the beginning of the calving season. Very large numbers of cattle, estimated at 600,000 to 1,000,000 head died in this epidemic. This heavy loss has directed the attention of Government officials and the Argentine Rural Society toward some means of minimizing the effects of this threatened shortage. A law was proposed forbidding the slaughter of all female stock, but this caused widespread opposition because it failed to except non-breeders or old cows which had passed the period of usefulness. With the inclusion of a provision covering this objection it is expected that a means of gradually reestablishing the numbers of stock will be afforded the country.

#### Favorable Outlook for Sheep Industry

The outlook for the importation of sheep into Argentina at this time may be considered favorable, although a certain amount of development will be necessary. At present there is a well developed interest in the finer wool breeds of sheep and although quantity production will continue for an indefinite period, much attention is now being directed toward quality. The producers in that section of Patagonia which is so well adapted to sheep raising are becoming more and more interested in the finer quality of wool types and there is undoubtedly an opening for



importations of pure-bred sheep.

Throughout the sheep-raising districts in Argentina, the custom still prevails of handling the animals almost entirely on the range, and, because of the climate and feeding methods employed, it is very probable that the raising of sheep in that country will continue to be a range proposition. The interest shown in the exhibits at the Palermo exposition in 1919 was very marked, and those who supplemented their cattle-raising activities with sheep were disposed to pay more attention to the class of breeding stock they purchased to renew their flocks.

On referring to the table on page 3, it will be noted that 470 sheep were sold at an average price of \$373 U. S. gold, which would compare very favorably with prices obtained at many sheep sales in the United States at the present time.

#### Increasing Popularity of Swine

The swine industry is becoming more and more popular in Argentina, largely because of increased general farming and a widespread propaganda favoring this increase. In general, conditions are distinctly favorable to increased production, especially in the alfalfa districts and in sections where corn is easily grown.

While the industry is not wholly undeveloped and inactive, only a beginning has been made as compared with the general live-stock industry.

The winter season is only about two months in length and for the most part is mild, so that many of the difficulties encountered in the raising of the young stock in the United States would not be a factor there. Interviews with people well versed in the industry as practiced in Argentina indicate that a very large percentage of the pigs farrowed are saved, an especially favorable condition in the development of the swine industry.

In general, the swine raisers in Argentina will continue the use of alfalfa pasture with an increasing tendency to fatten with corn; for this reason conditions in Argentina may be considered parallel to those found in the swine belt of the United States, with the exception of the severe winter season. The feeding of the stock for market is in the experimental stage, but advantage may be taken of experiments made in the United States which should greatly simplify the problem for the Argentine swine raiser.

There is practical freedom from cholera and swine plague; in fact, there is doubt whether it exists at all in Argentina. Immunization is practiced, and although the tendency for those who engage in swine raising is to operate on a large scale, the problem of control of diseases should be easily solved.



Perhaps the most favorable feature which argues for the rapid increase of swine production is the fact that a market for fat stock already is well developed. Several of the packing plants are equipped for the slaughter of hogs, and in others preparation has been made so that it is only necessary to install the machinery. This situation should lend decided encouragement to the development of swine raising. At present the Berkshire, Poland-China, Duroc-Jersey, and Yorkshire are the best known breeds. The profitable hog for that country should be a good feeder and an easily finished type.

Prices to be expected for imported stock will range from \$150 upward. As more serious attention is being paid to swine a better class of breeding stock will be demanded and higher prices paid. It seems that there is an especially favorable outlook for the exportation of swine from the United States, as the methods of raising and the problems surrounding the industry in Argentina closely parallel those of the United States. Both types and breeds of stock which have proved successful in our country should meet with success in Argentina.

#### Good Market for High-Class Live Stock.

It has been pointed out that Argentina presents a good field for marketing cattle and sheep. The fact that the market is open to the very highest class individuals offers an opportunity to market surplus first-grade breeding stock. In the swine industry some developmental work will be necessary. The experience of the Argentine stock raiser, however, in importing high-class sheep and cattle would indicate that good individuals will be demanded of the various breeds of swine.

Decidedly keen competition between England and any other country attempting to export cattle to Argentina is to be expected. The elaborate British system of sales and the representations built upon years of business dealings with well-known English firms are not to be belittled. The necessity of sending the best animals to the Argentine trade can not be too strongly emphasized, for competition which extends even farther than the importation of the individual animals can only be successful on this basis. Any animal sent to Argentina should be selected with the idea of its reception and the effect it may have on any possible future trade. Naturally, quality will determine the ultimate status of any pure-bred export business and if the best pure-bred animals from the United States are sent to Argentina, the obstacles pointed out may be overcome and a trade developed. The market in Argentina is large enough for all, and can be considered as a favorable outlet for any surplus animals of good quality in the United States.

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